

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

**INFORMAL SESSION
February 4, 2008**

The Board of Supervisors of Maricopa County, Phoenix, Arizona, convened in Informal Session at 10:00 a.m., February 4, 2008, in the Board of Supervisors' Auditorium, 205 W. Jefferson, Phoenix, Arizona, with the following members present: Andrew Kunasek, Chairman, District 3; Max W. Wilson, Vice Chairman, District 4; Fulton Brock, District 1; Don Stapley, District 2 and Mary Rose Wilcox, District 5. Also present: Fran McCarroll, Clerk of the Board; Liz Evans, Minutes Coordinator; David Smith, County Manager and Victoria Mangiapane, Deputy County Attorney. Votes of the Members will be recorded as follows: aye-nay-absent-abstain.

The Chairman announced a change in the original order of the agenda items, hearing the Honduran Sister Agency Project Presentation first and the Service Awards Presentation second.

1. PRESENTATION OF THE HONDURAN SISTER AGENCY PROJECT

Item: The Sheriff's office will provide the Board an update of the Honduran Sister Agency Project. (C5008037M00) (ADM650-001)

Chief MaryEllen Sheppard, Sheriff's Office
Captain James Miller, Sheriff's Office
Captain Pat Lopez, Sheriff's Office

Chief Sheppard, Deputy Chief of Custody for the Sheriff's Office, introduced herself, Captain James Miller, Captain Pat Lopez and retired Deputy Sergeant Roger Marshall. Ms. Sheppard thanked the Board for allowing her to update them on the Honduras Project. Ms. Sheppard said "a retired Maricopa County Sheriff's Sergeant went to Honduras looking to make a difference. His vision was to commit himself in ministry to the people of Roatan, but what he found was abject poverty, a powerful and growing criminal population and a police force ill-equipped to respond to the needs and demands of either." Ms. Sheppard related that the Deputy Sergeant had decided that in order to make "the kind of difference that he desired, he needed to capitalize on the opportunities available to him by bringing together the people he had spent a career with and the people he had come to serve."

Ms. Sheppard stated that bringing together the Sheriff's office and the Honduran National Police brought a whole new focus to the program. The Honduran National Police wanted to modernize and professionalize its police force, and Ms. Sheppard asserted that the Maricopa County Sheriff's Office had the knowledge, skills and abilities to benefit them. In return, the Honduran National Police has the intelligence data, knowledge and cultural experiences to benefit the Sheriff's Office.

Ms. Sheppard cited statistics on illegal Honduran immigration into the U.S. and stated the purpose of the project is to establish open communication which will facilitate the sharing of ideas and training that will mutually benefit the citizens of both Maricopa County and Honduras. She indicated the benefits to the County would include:

- Relevant training and intelligence sharing on gangs, crime prevention and investigation, drug trafficking, human trafficking and management of law enforcement and corrections
- Culturally aware patrol deputies, detention officers, detectives and command staff
- Education and the promotion of justice, service, professionalism and human dignity in both countries
- Reduce barriers, foster mutual respect and enhance the understanding of the Latino culture, its paradigms and needs

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

**INFORMAL SESSION
February 4, 2008**

Ms. Sheppard related that a Honduran contingent exists in the Town of Guadalupe and that information from Honduras assists the Deputy Sheriff stationed there. She maintained that helping the Hondurans stop their criminal element keeps their problems from becoming Maricopa County problems.

Ms. Sheppard covered a timeline that included a trip from January 20-23, 2007 by the Sheriff's Office to Honduras and a visit from the Honduran National Police to Maricopa County on June 4-8, 2007. Ms. Sheppard indicated that a proclamation, signed by the Governor, was presented to the Honduran Police during their visit and Supervisor Wilcox was in attendance. Ms. Sheppard reported that the program costs have been about \$34,000 so far, the majority of the money coming from Racketeer Influenced and Corrupt Organizations Act (RICO) funds.

For the future, Ms. Sheppard outlined program objectives, as follows:

- Sheriff's Office will assist the Honduras National Police to establish an Internal Affairs/Corruption investigative unit
- 260 Honduran Police are to be trained on ethics, drug recognition, domestic violence, anti-corruption and internal affairs
- The Honduran Police to work with Sheriff's Office Jail Intel and law enforcement on transnational gangs
- Continued shared training and communication to build and maintain safe communities and maximized office safety and law enforcement effectiveness

Supervisor Wilcox commented that she supports the program and believes it to be beneficial to Honduras and to the County, as well as our "sister states", through an exchange of information.

2. SERVICE AWARDS

Item: The following employees, who have provided 30 or more years of public service to Maricopa County, were introduced and presented with service award plaques commemorating their service. (C3508006900) (ADM3341)

30 Years of Service

Name	Department	Employment Date
Judy M. Anderson	Treasurer's Office	November 1, 1977
Gary S. Moore	Planning & Development	October 4, 1977
Richard F. Kaplan	Public Defender's Office	December 6, 1977
Diane M. Hilty	Trial Courts	October 3, 1977
Judith A. Bushong	Trial Courts	December 13, 1977
Mark B. Manson	Juvenile Probation	October 11, 1977
Anthony E. Weaver	Juvenile Probation	October 31, 1977
Mary Kay Eppinger	Juvenile Probation	November 2, 1977
Rudolph Mayfield	Juvenile Probation	December 20, 1977

35 Years of Service

Name	Department	Employment Date
Lucy Lopez-Goss	Legal Defender's Office	October 10, 1972
Nancy S. Wong	Transportation	October 31, 1972

**INFORMAL SESSION
February 4, 2008**

3. UPDATE ON CURRENT FISCAL STATUS

Item: Update the Board on the current Maricopa County and State of Arizona fiscal status. (C4908025802) (ADM1825)

Sandi Wilson, Deputy County Manager

Sandi Wilson briefed the Board on the current fiscal status. Ms. Wilson informed the Board that the County has a \$11.1 million shortfall year-to-date. She noted some recent economic developments, and said the Federal Reserve Board lowered the Federal Reserve rate 1.25 percent within an 8-day period. Many financial and economic publications are predicting that a recession is either imminent or has already arrived. Ms. Wilson quoted Marshall Vest from the University of Arizona as saying "given recent evidence, we believe that Arizona's economy is already in a recession that will stretch well into 2008."

Supervisor Wilson asked what impact lowering the Federal Reserve rate could have on Maricopa County. Ms. Wilson replied that it would stimulate the economy as a whole, generating activity in spending and jobs. David Smith commented that government is unique in that revenues do not depend on marketing or outstanding service, but on other people's actions in the economy. Mr. Smith said that most of Maricopa County's economic issues are consequences of the situation in the housing market.

Ms. Wilson expanded on some of the problems in the real state and mortgage sector, as follows:

- Foreclosure rates are increasing because homeowners can't make payments, sell or refinance
 - Arizona had higher rates of investment buying, creating an acute imbalance of supply and demand
 - Arizona had higher rates of sub-prime and Adjustable Rate Mortgages (ARMs) than anywhere else in the U.S., so more homeowners are at risk
 - The result is that one in every 20 homeowners is headed for foreclosure
- Foreclosure filings in Arizona for 2007 were 69,970, a 151 percent increase over 2006 (USA Today, 1/29/08)
 - Arizona has the seventh highest number and the ninth highest growth of foreclosures nationwide
 - Maricopa County has the highest foreclosure rate in the state

Ms. Wilson said it is unlikely that the housing market will recover for three years or more. The result will be slow growth or a decline in property tax values and depressed sales tax revenue growth due to the reverse "wealth effect" and increased unemployment. Ms. Wilson explained that the "wealth effect" is related to the housing market in that when people believe their house is worth more they are likely to spend more and vice versa.

Chris Bradley, Deputy Budget Director, reviewed the current situation regarding the State Budget. He said that revenues for December were down 4.3 percent from the prior year, equating to \$393.2 million less than forecast. Sales tax collections for December 2007 were down \$32 million. Mr. Bradley indicated that the Governor and the Joint Legislative Budget Committee (JLBC) differ in deficit estimates. The Governor projects \$861 million deficit and the JLBC estimates \$970 million deficit for FY 2008, the difference being attributed to contrasting revenue assumptions.

**INFORMAL SESSION
February 4, 2008**

Mr. Bradley described areas in the Governor's proposed budget plan that are of particular concern to Maricopa County. One proposal by the Governor is to change sentencing laws to require that all persons sentenced to less than one year detention be remanded to county jails instead of the Department of Corrections, claiming that county jails are less costly than State prison. While this proposal would save the State as estimated \$60 million, with \$40 million of the savings attributed to Maricopa County. However, the annual operating cost for the County would be \$58 million, a net cost to taxpayers of \$18 million. Additionally, more inmates would put Maricopa County jails 23 percent over capacity, so additional facilities to house these inmates would cost another \$15 million to create.

Mr. Bradley asserted the County disagrees that jail costs are less than prison costs and he speculated the Governor may have been working with inaccurate information. Mr. Bradley illustrated that jails are more like hotels in the sense that people are constantly coming and going, whereas prisons are more like apartment complexes in that there is less movement and therefore, less cost.

Another of the Governor's proposals is to raise \$90 million for the State budget via statewide implementation of photo radar. The problem with this, Mr. Bradley said, is that DPS customarily files its traffic citations in county Justice Courts, creating indirect costs to the County. If projected ticket volumes are accurate, Maricopa County would be statutorily obligated to add 8-9 new Justices of the Peace and would need to build two additional regional Justice Court facilities.

Ms. Wilson reported that County efforts to balance the budget were underway. Reduction proposals were to be submitted to the Office of Management and Budget (OMB) by February 1st and are under review. Ms. Wilson conveyed that OMB is developing its own reduction proposals and that revenue enhancement proposals are also being considered.

The Board generally agreed that efforts need to be undertaken to communicate with the Governor and the JLBC regarding the impact of some State budget proposals on Maricopa County. Supervisor Brock suggested that communication with State officials should include a mention of the success of the ALPHA drug treatment program and the money it has saved taxpayers. Supervisor Wilson asked OMB to have conversations with other government agencies regarding possible solutions to the foreclosure problem.

4. WHITE TANKS VIDEO

Item: Presentation of a White Tanks thank you video. (ADM650-001)

This was a video of citizens thanking Maricopa County for the newly renovated White Tanks Park. The renovations allow more access for disabled citizens to various areas of the park.

5. APPOINTMENTS

Pursuant to A.R.S. §38-847 and §38-893, motion was made by Supervisor Stapley, seconded by Supervisor Wilcox and unanimously carried (5-0) to approve the appointment of Thomas Nixon as a citizen member to the following local boards:

- a. Attorney Investigator's Public Safety Personnel Retirement Plan Local Board (ADM420-001)
- b. Parks and Recreation Park Police Public Safety Personnel Retirement Plan Local Board (ADM3246-001)
- c. Sheriff's Public Safety Personnel Retirement Plan Local Board (ADM3902-001)
- d. Corrections Officer Retirement Plan Local Board (ADM3332-001)

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

**INFORMAL SESSION
February 4, 2008**

Mr. Nixon was recently elected Chairman of the Merit System Commission and will fill the unexpired terms of former Chairman Alberto Gutier effective as of the date of Board approval through December 31, 2009. (C0608058900)

6. VERIFICATION LETTER

Motion was made by Supervisor Stapley, seconded by Supervisor Wilcox and unanimously carried (5-0) to approve the Verification Letter regarding J. Christopher Carey M.D. V. Maricopa County, et al., No. CV05-02500-PHX-ROS, and authorize the Chairman to sign the Verification Letter. (ADM412)

7. FILL THE GAP PLAN TO ASSIST IN IMPROVING CRIMINAL CASE PROCESSING

Motion was made by Supervisor Stapley, seconded by Supervisor Wilcox and unanimously carried (5-0) to authorize the Chairman to endorse and sign the FILL THE GAP plan submitted by the Presiding Judge of the Superior Court, in accordance with the provisions of A.R.S. §12-102.02, subsection C. In accordance with the statute, the plan has already been endorsed by the Presiding Judge, the Clerk of the Superior Court, and the Presiding Justice of the Peace in Maricopa County. Approve a Clerk of the Superior Court (160) appropriation adjustment increasing Fill the Gap Fund (218) revenue by \$234,199 and expenditures by \$148,433. These "non-local" Fill the Gap Revenues are not local revenues for the purpose of the constitutional expenditure limitation, and therefore expenditures of these revenues are not prohibited by the budget law. This budget adjustment does not alter the budget constraining the expenditures of local revenues duly adopted by the Board pursuant to A.R.S. §42-17105. In accordance with A.R.S. §42-17106(B), approve a transfer of revenue (\$71,837) and expenditure (\$420,362) appropriation from Non-Departmental (470) General Government Grants Fund (249) Reserve for Potential Fee Increases (4711) to the Clerk of the Superior Court (160) Fill the Gap Fund (218). (C3808010300) (ADM1819)

8. LICENSE AGREEMENT WITH RAILROAD PROPERTIES, LLC FOR TEMPORARY PARKING

Motion was made by Supervisor Stapley, seconded by Supervisor Wilcox and unanimously carried (5-0) to approve a temporary parking License Agreement with Railroad Properties LLC, for parking to be used by temporary employees hired for the upcoming Presidential Preference, Primary and General Elections. The License term will commence upon execution of the license and expire on November 15, 2008. The License will provide parking at an existing parking lot located at the northeast corner of 3rd Avenue and Buchanan Street, across the street from the Elections Department facility and depending on availability, a temporary lot adjacent to the facility. The License will be for intermittent use as required by the Elections Department to handle the three elections. Consideration for the License will consist of the cost of installing parking curbs necessary to prevent damage to a building and a new wrought iron fence. Elections may contract for the installation directly or reimburse Licensor for the cost. (C1808038100)

9. REGIONAL SCHOOL DISTRICT #509 VOUCHERS/WARRANTS

Item: The Board of Supervisors, pursuant to its authority granted in A.R.S. §15-1001, will consider for approval vouchers presented by the County School Superintendent of Maricopa County to draw warrants on the County Treasurer against Maricopa County Regional School District #509 School District funds for necessary expenses against the school district and obligations incurred for value received in services (except for payroll vouchers) as shown in the Vouchers. (ADM3814-003)

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

**INFORMAL SESSION
February 4, 2008**

The Board of Supervisors may consider ratifying any Maricopa County Regional School District #509 vouchers and/or warrants (except for payroll vouchers) approved in accordance with the procedures of A.R.S. §15-321 since the last meeting of the Board of Supervisors. The Board of Supervisors may hear staff reports on the vouchers and warrants being considered. The Vouchers are on file in the Maricopa County's Clerk of the Board's office and are retained in accordance with ASLAPR approved retention schedule. (ADM3814-003)

Motion was made by Supervisor Stapley, seconded by Supervisor Wilcox and unanimously carried (5-0) regarding action on the following vouchers:

Ratify Voucher No. 7022	\$49,492.07
Ratify Voucher No. 7023	\$12,623.65
Ratify Voucher No. 7024	\$103,942.93
Ratify Voucher No. 7025	\$13,534.02

No staff updates on regional schools operations and finances were given to the Board of Supervisors at this meeting. (ADM3814-005)

EXECUTIVE SESSION

Motion was made by Supervisor Brock, seconded by Supervisor Stapley, and unanimously carried (5-0) to recess and reconvene in Executive Session in the Tom Sullivan Conference Room to consider items listed on the Executive Agenda, pursuant to listed statutory authority, as follows.

LEGAL ADVICE; PENDING OR CONTEMPLATED LITIGATION – A.R.S. §38-431.03(A)(3) and (A)(4)

E-1. Compromise Cases – Barbara Caldwell, Outside Counsel
Wm. Miller

LEGAL ADVICE; PENDING OR CONTEMPLATED LITIGATION; SETTLEMENT DISCUSSIONS CONDUCTED IN ORDER TO AVOID OR RESOLVE LITIGATION – A.R.S. §38-431.03(A)(3) AND (A)(4)

E-2. MCSO v. Freeman, Risk Management Claim Number APD5042032412
Peter Crowley, Risk Manager
Ted Howard, Claims Manager
Laurence Tinsley, Jr., Deputy County Attorney

LEGAL ADVICE– A.R.S. §38-431.03(A)(3)

E-3. Legal Advice regarding City of El Mirage's compliance with Federal HOME program requirements
Renee Ayers-Benevidez, Director, Community Development Department
Chris Keller, Chief Counsel
Andrea Cummings, Deputy County Attorney

LEGAL ADVICE– A.R.S. §38-431.03(A)(3)

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

**INFORMAL SESSION
February 4, 2008**

- E-4. Legal advice for the Board of Supervisors regarding fund transfer agreement between the Maricopa County Special Health Care District and the Maricopa County Treasurer, and how it relates to the Master Intergovernmental Agreement (IGA) between the Maricopa County Special Health District and Maricopa County**

Tom Irvine, Outside Counsel
Rebekah Francis, Outside Counsel
Sandi Wilson, Deputy County Manager
LeeAnn Bohn, Deputy Budget Director
Shawn Nau, Director, General Government

MEETING ADJOURNED

After discussion on the above listed items and there being no further business to come before the Board, the meeting was adjourned.

Andrew Kunasek, Chairman of the Board

ATTEST:

Fran McCarroll, Clerk of the Board